Approved For Belease 2006/01/03: CIA-RDP80B01554E002900110001-2 NATIONAL DEFENSE UNIVERSITY 22 November 1978

Thank you very much. Thank you, Bob. I'm here because of my long friendship and esteem for Bob Gard.

SAnd I'm going to start by telling you a sea story. It may be of particular interest to military people here because it is a sea story about how your military career can, involuntarily and with no notice, disappear. It started for me on the 2nd of February 1977. I was sitting comfortably in my office in Naples, the secure telephone rang and it was the Secretary of Defense, Mr. Harold Brown, a man I had never met, never spoken to. He simply said to me, "The President of the United States wants to see you tomorrow morning." I tried as best I could to sort of smell out what in the world the President wanted to see me about but I got nothing. I pushed the buzzer after I hung up the phone and in came my Naval aviator aide, who turned out to be the most superb arranger I've ever known because it was 3:15 in Naples and at 6:00 in Washington, I landed at Dulles Airport--that's 8 hours and 45 minutes. That gave me time to rest up that night and think about what might be presented to me the next morning. And you can imagine what I was thinking about, all sorts of sugarplums and things going through my head. So the next morning I went to see Mr. Brown and I introduced myself and he said. "Nice to meet you. The President asked me to bring you back here, he has something he wants you to do, we'll go over and see him." So I walked out in about three minutes. a I said, "I don't know the man, he doesn't know me, ipso facto, if he's not interested in

even talking to me, I'm not going to a military assignment." So all my planning as to what I would say in the Oval Office went out the window and I had twenty minutes on the way across to the White House to think about what I would say if I was told the President wanted me to be Director of the CIA. Mr. Sorenson had bombed out with the Congress, clearly the job was open, and it was only logical. But I hadn't given it much thought up til then so for twenty minutes, I stewed as to what in the world I would say.

And I was suddenly in the Oval Office and I heard this voice saying, "Director of Central Intelligence, CIA, you're the man." I watched as 31 years of experience, 31 years of preparing to understand the military complex, it seemed to me was going out the window somewhere. And of course I said, "You don't really want to do that Mr. President," and the words kept coming back, "Director of Central Intelligence." So, like a drowning man, I grasped for a piece of flotsam. And I finally said, "But you have told me Sir, that you want me to be the Director of ' Central Intelligence, which is bigger than the CIA, which is bring the Intelligence Community together, coordinating the entire operation $^{\sharp}$ but you've also told me that the principal tool for doing that is that I am chairman of a committee that coordinates the activities and puts the budget together. Mr. President, I said, "committees don't accomplish anything in this town of Washington and chairmen don't have any stature. You need control, you need authority over the money if you're going to do what you've suggested."

you've read, have I got any more authority than being Chairman of the Committee today?

A: Yes sir, I believe you do.

What is it?

A: (Inaudible)

Three-eighths. Yes, the Executive Order says I have full and exclusive authority to prepare the National Foreign Intelligence Program budget. I did that last week as a matter of fact and submitted it to the Office of Management and Budget for the 1980 budget.

Jim Callahan, do you think it's a good idea that I have full and exclusive authority over the United States Air Force's intelligence budget?

A: (Inaudible)

You didn't see that in the fine print? It's there, full and exclusive authority over the National Foreign Intelligence budget. We ZBB today. I'm sorry, I'll let you answer in a second. We have a ZBB ranking, Zero Base Budgeting. You know, each decision unit from one to about 600 and some in our budget today, my budget today, and it's my responsibility to rank order those. Then if the President or OMB, the Congress or somebody says slice off a half billion or five million, whatever it is, it comes from number X at the bottom and works up. So if I put all the Air Force things at the bottom, they're in trouble.

Approved For Release 2006/01/03 : CIA-RDP80B01554B002900110001-2 Q: (Inaudible)

Can you hear in the back? Okay. Would anyone want to stand up and take exception to the idea that I may hurt one of the Service intelligences? And I don't mean Stan Turner, I'm talking about the Director of Central Intelligence for years to come. Do you all agree that it's fine to have this part of the military budget controlled outside the Pentagon? Yes sir?

A: No sir. Munning Air Force, I don't particularly agree with that. I take question fundamentally with the principal of the dual hatting. Now as Director of Central Intelligence having the function centralized, yes. You are answerable, the Director does not have some gift from God to rule in any way he may, he has to answer of course. But I think that having seen the shambles of some of the military commands which are much smaller with the multi-hatting, I do believe that the dual-hatting, Director of Central Intelligence and Director of the Agency, is an inappropriate management of the don't particularly agree

That's a very good point. There are people who contend that I have a conflict of interest because I have to put those CIA items in that ZBB ranking too. And clearly, I am more familiar with those than I am with any other part of the budget. I probably have more empathy for them, I'm sitting there hearing about their problems every day. Wonder what the downside is of separating the Director of Central Intelligence from the head of the CIA. Anybody have any thoughts went that, or do we all agree that that's a good thing to do? I've thought about it,

Approved For Pelease 2006/01/03: CIA-RDP80B01554B002900110001-2 thought about it a lot. We have legislation before the Congress today that they have proposed which has a provision in it that would permit the President, after notification to the Congress, to separate those two jobs as you've suggested. The present law of 1947, in statute#, says no that one man holds the two positions. There are, of course, very strong feelings in the CIA against doing this because the Central Intelligence Agency has a unique function in our government. It is the only intelligence agency that is totally divorced from policy making. In short, the DIA works for a policymaker--the Secretary of Defense and the Chairman of the Joint Chiefs. The State Department's Bureau of Intelligence & Research works for a policymaker, and so on down through Treasury, FBI, and whatnot. But I, as the head of the CIA, have no policymaking function and, therefore, we try as best we can to be as objective and in no way eschew the intelligence towards the policies that we may or may not feel are best but which we are certainly not empowered to espouse. I don't want to say that I think all the others deliberately twist it, I really don't, but on the other hand when you are in a policy making role, everything you say has to have some suspect character to it because you may be advancing your theory. Yes?

Q: I'm Lt.Col. Brown. Are you not though, as you work for the President, also responding to a policymaker?

I'm responding to a policymaker, that's very true but it's very clear that I am not there to recommend on one policy or another. My personal postion is surely, if the President of the United States asks me, "What do you think we ought to do here?," I'm going to stand up and

Approved For Pelease 2006/01/03: CIA-RDP80B0155 2002900110001-2 give him an answer and you would too. He doesn't, as a matter of fact. This particular President is very circumspect in that regard. And when I sit in on the policy making meetings if I do feel I just can't constrain myself anymore, I speak up and say, "This is not my baliwick but if you want my opinion on it, I think thus and so." I do that very, very seldom because I will tarnish my impartiality image that I try to maintain. So you are absolutely right but all of us try to maintain the position that I stay out of the policy recommendating. You've had Brzezinski over here I think to talk to you. He chairs the SCC subcommittee of the NSC and when he goes around the table asking more or less for a vote or at least an opinion, he's very scrupulous. If it's a policy matter, he just skips by me and goes on. If it's an organizational or intelligence matter or something where I have a proper voice, well then I'm entitled to speak up. It's a very fine and difficult line to maintain.

But back to the basic issue here of separation of these authorities, there is one other big problem. And that is if the Director of Central Intelligence does not have full control of the CIA, he is not the Director of CIA, what other horses has he got? What is he besides the chairman of something that's sitting out here. Well over the last few years we've built up an Intelligence Community Staff and as you may have noticed, I happen to have reorganized that and split it into two staffs—a Collection Tasking Staff and a Resource Management Staff, the budgets and tasking the operation of the collection elements of the Community. And I happen to have taken the analytic element of the Community, called it the National Foreign Assessment Center and although I confused

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everybody by merging it with the CIA's analytic organization for a lot of good reasons, I do have those three people report to me separate from the CIA--the tasking fellow, the budget fellow, and the analytic fellow. But in that we're talking a few hundred people other than the CIA's analytic organization which is an adjunct to my Community National Foreign Assessment Center Director. The big argument against what you are saying has always been in the past that you're going to have a DCI with no horses, with no control, with no authority up here. And I'm suggesting to you that I don't know whether that's a debilitating argument in this case or not because it's too soon in the evolution of these new authorities over the budget, for instance, to decide whether without the CIA in my pocket I'll have enough horses, enough authority really to do things, somebody who will report to me and enable me to get the right perspective on things without being totally dependent on organizations that are controlled basically by other people. Yes?

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NSA, Sir. So long as you control the budget, how can it be said that you don't have control sufficient to exercise your authority?

President, is not like controlling your family budget or budget of the business enterprise that you operate. There are so many people who kibitz your budget, who have a say in your budget that while you can do the basic shaping of it, you can't get too far off the track. So, yes, it does give you some real authority. But with a hundred people in my budget staff, there's no way I can really get out and find out if that

Approved For Pelease 2006/01/03: CIA-RDP80B01554B002900110001-2 huge organization out there in Ft. Meade has got 10 percent too much or 10 percent too little. I can make some broad thrusts, are they going to modernize their HF collection activities, one of the major issues this year. And yes, I can help to slant that one way or the other and I made some decisions on it two weeks ago, put it in the budget and I'm already getting all kinds of papers back that I made the wrong decision and I can see that lund numb coming around me, and so on. So, yes, you're right in theory, the budget gives me that control but not really quite enough. And maybe it will over time. This last week, a week ago Monday, was the first budget that I'd really submitted. We didn't quite get this operating last year, the Executive Order really wasn't signed yet. It worked superbly this year. I was very, very gratified because all the elements of the Community--Defense elements, State elements and so on--I think genuinely felt that just the fact that you had a man singely in charge to make crisp decisions as opposed to negotiating them in the committee, ended up with a better product this year than we had before.

Now clearly, if I start running roughshod over everybody, in a year or two they'll cut me off at the knees. So I have a very difficult position. No sense being in charge unless I make tough decisions, unless I make decisions that are going to be unpopular and yet if I do it in too arbitrary a way or if I don't do it in a way that brings them along with me, I'll never really get that control that I've got in theory. And I'm not talking here about trying to act granding and get power or anything else like that. What I'm talking about is practical

Approved For Delease 2006/01/03: CIA-RDP80B015546002900110001-2 problems of administering in a collegiate organization in which you've been given some degree of authority but you are not really the boss. You know, the head of the NSA's fitness report is written in Harold Brown's office, not mine. So there is still some room for difference here. Yes?

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Defense Intelligence Agency. You talked about your authority and I'd like to go to the other side of the coin and say, don't you think your span of control would be severely tasked if you really managed the CIA the way it should be managed, in addition to your DCI responsibilities. It seems to me the DCI responsibilities from a management point of view are already awesome without having the double hat that someone referred to earlier.

I happen to agree with you, we such that I find I have far too much to do every night. Yes, there is a good argument there that if, over the next few years, the responsibilities of the DCI really take hold and do manage this budget, that it will be too big a span of control. But, of course, the way I'm handling that now is to engage the superb Deputy, Ambassador Frank Carlucci from the State Department, and, in effect, he runs most of the CIA. I make the policy decisions, I try to keep on top of it, but since he came to this job, I find that more and more I lean on him to take care of the Agency itself and I concentrate more and more on the DCI's job. So there is a natural impulse in the direction that you and the Colonel are sort of suggesting. But I would be very reluctant, at this point, to suggest that I think we're ready to split the two.

Approved For Pelease 2006/01/03: CIA-RDP80B01554R002900110001-2 I'm really afraid you are going to have a very, you have a danger having a very weak DCI under those circumstances. But it may be the inevitable direction we should go, I just don't know.

We haven't talked much about the other major addition of authority that was given to the DCI in the Executive Order. Anybody know what I'm alluding to here? We set up something called the National Intelligence Tasking Center. Pete ______, what does that do?

A: I believe on a national basis you coordinate and direct the tasking of the collection facilities of the Intelligence Community.

Yes, that's basically correct. It means that theoretically I'm in command of all the tasking activities of the National Foreign Intelligence program. If the airplane is going to fly a reconnaissance mission, if the satellite is going to look here or there, if the spy is going to try to gain this kind of information or that kind of information, that is theoretically under my control today regardless of whether it is a satellite operated by the National Reconnaissance Office under the Air Force, or a reconnaissance SIGINT plane that's basically managed or targeted by the National Security Agency, or a spy that's operating under the Directorate of Operations in the Central Intelligence Agency. And it's a very broad authority, it's again one that isn't fully established yet. We got the National Intelligence Tasking Center actually into operation only in October of this year through a lot of particular problems.

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But, John Campbell, how would you feel if one of these days

you get to be CINC US ARMY EUROPE, General Blanchard's job, and you're

sitting there and the war has just started and you've got a satellite up

here with ELINT, COMINT capability in it and you say, boy, I really want
that to tell me whether those tanks coming up from Eastern Czechoslovakia

are going to move down to the Southern front or whether they are going

to the Northern area. So, I want that targeted there and suddenly your

A: Sir, I believe there are provisions for the transfer of that authority based on the recommendations of the Secretary of Defense.

that is going to be targeted. What do you think, John?

J-2 tells you Turner's got control of that. He's going to decide where

That's true. But let's say it hasn't been transferred because there's no guarantee that the President will; it's the recommendation of the Secretary of Defense, it's the decision of the President. Let me divert and seeme, let's take that up. We'll come back to the basic issue in a second. What do you think? Would the President, in time of war, be really likely to transfer this tasking authority from the DCI to the Secretary of Defense? Anybody want to give an opinion here?

A: Lloyd Davis, State Department. I would think under a situation such as that, there would be a dual responsibility at that particular time.

Well, dual responsibility. That's a committee.

A: No sir, just two people.

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Approved For Belease 2006/01/03: CIA-RDP80B01554B002900110001-2 Two people. What if they disagree?

A: Well then, you said that you had the higher authority. Was that correct?

I do the way it's set up in peacetime and unless it is changed by the President, if the Secretary of Defense disagrees with the way I put that satellite for General Blanchard, he can only go to the President and say, "Turner screwed up, change him."

A: And if he knows the need that General Blanchard has at that particular time, would you think that he'd be reasonable enough to share the responsibility between you and General Blanchard, or you and the Secretary of Defense?

I think the way it has worked out from the way it is set up, the President would, in a situation like this, have to either adjudicate and say, "Stan, do what Harold says, see if you can't accommodate him." Or, he'd have to say, "Let's shift." And I'm say to you, I don't know what he would do.

A: That's what I was trying to say, sir. I was trying to come up with the best answer.

I would want to say that I don't think it's cut and dried that he would automatically transfer this tasking authority to the Secretary of Defense in wartime. Because the President does have very broad responsibilities even in wartime, the President does need intelligence in wartime that is not tailored to the policy, to the tactics, the

strategy that the Defense Department is evolving. He might, he might not. The way we've eased into wars in the last thirty years, it would be difficult also to find where that particular time was. We're now talking about General Blanchard's cataclysmic situation of the war with the Warsaw Pact. And, John, let's assume that the President doesn't shift it. How do you feel when General Blanchard gets that answer--well, you've got to appeal to Turner back there as to whether he's going to watch those tanks or whether he's going to do something else with that satellite?

A: It seems to me that in a situation like you describe that the Director of Central Intelligence would be extremely responsive to the requirements of myself. Now I could imagine some situation where you would respond, "No, I'm sorry, we can't do that." It seems to me you would have the flexibility to respond to the requirement without by the President.

That's a nice hope if there are enough assets to go around, if the thing can do that. Dick Tory, how about if you're made very happy and have become CINC USAFE and now John has said, "No question, I'm going to look for those tanks." But what if that conflicts with looking for tactical air movements into East Germany? You've got an interest in this too, and you've got to go back to that old fellow back in Washington called the DCI. How do you feel about the way this would shake out?

Approved For Melease 2006/01/03: CIA-RDP80B0155 MR002900110001-2 A: Well sir, I think that just as General Campbell said, it just presents a problem of trying to share resources. I think our classic experience with air power suggests that probably a given asset ought to be centrally controlled. But I would be troubled by not having a way whereby we could try to share assets and have this problem discussed in advance such that there is some, I won't call it a collegial way, where we could think ahead, plan in advance how we would try to resolve these issues. The Air Force, of course, does have some assets of its own in terms of tactical reconnaissance but not the strategic that you are talking about.

Good point, Dick. Yes.

A: Lt.Col. Rick Campbell, Air Force. What you are talking about is transferring control from what you have now to OSD, the Secretary of Defense. You still have the problems of Army and Air Force parochial problems that wouldn't go away in that situation. I contend that we ought to continue in wartime what we do in peacetime when we switch over and change command and responsibilities we find that all the... (tape turned)... experience gained in peacetime is lost in wartime.

I think that's a very fine point and I would like to invite your attention to a sentence or so in the Executive Order which I take some pride in having influenced to be put in there. And that is that there is this provision for transfer and the objective behind that was to ensure that if there was a transfer it was the chairman, the head of the table, that changed and nothing else. That is, if there is a shift, I'm

Approved For lease 2006/01/03: CIA-RDP80B0155 2002900110001-2 trying to organize it in such a way that whereas today, if a decision has to be made between conflicting priorities, I have that authority. I can make that decison and say, "Go for General Blanchard's target." But I want, if the President says shift that whole thing to Harold Brown, to simply step out of the chair, put Harold in it, the same people make the same recommendations and he says, "Go for General Evans," or whatever. Because you are absolutely right, if you change the whole organization and all the people change, and so on. So we are putting the National Intelligence Tasking Center, at least a large portion of it, into the Pentagon. And it will be very closely located with the Collection Coordination Facility I think it's called--it's the CCF, I don't remember the full spelling of it--which is the DIA's center for tasking where they do the tasking of the non-national military elements and where they make their recommendations to me for the tasking of the national elements. So that is the game plan overall.

And, Dick, your excellent point on thinking ahead, what we hope
to do under the National Intelligence Tasking Center, which is headed by
a retired Army Lieutenant General is to do that
thinking ahead of time as much as we can. We all are well aware that
you don't think out everything in advance in a military combat situation,
but you can make certain contingency provisions. Andis
developing what will be, in effect, contingency plans not just for these
military situations, but we are going around the world and we're looking,
from the point of view of the National Intelligence Tasking Center, what
are the potential interest spots.

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Approved For Release 2006/01/03: CIA-RDP80B01554R002900110001-2 then we're inventorying our assets, what can we bring to bear here. So if there's a conflict between John's tank problem and Dick's aircraft movement problem, we will at least have tried in advance to have inventoried and said, what are the total assets. Maybe there's more than that satellite, maybe it is the Air Force local tactical assets that will also be available and how can we best share those. So we're going to try to have a file drawer full of contingency plans in effect. And I hope that some day the Joint Chiefs will let me participate in their contingency planning. Because today they draw up intelligence annexes but we're becoming so enmeshed between the national and the tactical that, in my opinion, they can't really draw up a good intelligence annex to a JCS war plan. Because they can't count on my national assets in their plan. They have to hope the President will maybe shift it and then they can influence the Secretary of Defense but as you say, that isn't even a guarantee. So, what we want to do is bring this together with this intelligence contingency planning so that people can have done as much as possible in advance of hostilities or in advance of a crisis of a political nature or aneconomic nature, to know what assets can best be targeted where to do the overall job for the country.

It's an exciting and a very difficult area. And what we are really talking about, and I've emphasized the military aspect at the expense of the political and economic because it brings it out a little more poignantly, is what is called the National/Tactical Interface. And to the degree you become involved in intelligence activities, and there's no way you can avoid it in the future, you'll hear more and more about

Approved For Release 2006/01/03: CIA-RDP80B01554D002900110001-2 this. What belongs in the national intelligence sphere under the control of the DCI for tasking and budgeting, and what belongs in the tactical sphere. And how do we draw that line? How do we make a division between what belongs in the national and what belongs in the tactical? For instance, should a RA5C reconnaissance aircraft flying off a aircraft carrier be in the national program or in the tactical program? Frank Hardin?

A: Admiral, there is one very real	talked of	
national and tactical in terms who's budgeted for the	•	
I think we might be better off if we talked in terms of wh		е
	depends on ho	
that RA5C is being used		

That's a reasonable point. And the way it rests today, the division between what is national, what's tactical is, in fact, a budgetary one. That is, what happens to be in the national budget ends up being tasked by the DCI, what ends up in the Service budgets is tasked by the operational commander. And I'll be honest with you, we don't have a firm formula for deciding where they go. They're there now, they grew up like topsy and there they are. Putting them by users is difficult also. I don't reject it but there are multi-users and one day the RASC is being used for strictly Naval tactical purposes to find the enemy fleet, the next day it's penetrating inland and gaining ELINT information that's of great value to the overall theater commander for putting Air Force strikes on it in support of the fleet let's say.

Approved For Belease 2006/01/03: CIA-RDP80B0153400290011000123 off And interestingly, ask yourself is there information that comes off of intelligence sources that can always be characterized as national and other that can always be characterized as tactical. Because I find it difficult to define how you make that decison. Remember the Mayguez? The most minute details of where that boat was going and how it was progressing, trying to find our American sailors from the merchant ship, was being relayed I suppose right to the White House; certainly to the National Military Command Center. It's very tactical information. In short, what is one man's tactical knowledge today can be another man's national knowledge tomorrow. And certainly, the tactical commanders are almost always interested in much of the national so-called information that comes in because it's eventually going to become tactical to them as it works its way down.

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But, on the other hand, if the enemy fleet is sortieing from port, the President may be extremely interested in that. It may be a very critical piece of national intelligence. But also, the Navy wants to improve this satellite and the principal impact of improvement would be

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Approved For Release 2006/01/03: CIA-RDP80B01554R002900110001-2 to give better ship identification of locating information. From my point of view from the national side, we probably are well enough off without that improvement. But clearly from the Navy tactical commander's point of view, if he wants to target a harpoon on it from here to there, he needs more detail. So it is funded in the national program. I can't find the money to improve it within my conscience as to where other priorities go. So, what does the Navy do? Well I'm happy to tell you that we are trying to work out systems here that even if it is in the national program, and if they have money to improve it for tactical purposes, that we will find a way to integrate that in. But it gets very complex.

Q: Alexander, Navy, Admiral. I'd like to go back
a bit to where you were talking there about control wartime
because I disagree with that whole approach and discussion I've been
hearing. I feel a lot of the problem in Vietnam was the excessive
civilian control back in Washington basic problem
area. And if we go into the system as you decided here, we've got a
difference between the Air Force in Europe and the Army in the use of
that satellite. And I feel the wartime commander in that theater should
have that decision, and not somebody sitting back in Washington, because
they are the ones that are on the scene and have to fight that war. And
I feel it should be the commander in that area that should be making
those calls.

Well I wondered if somebody would bring up the theater commander.

Dick and John are happy to be component commanders but you set your

sights even higher and I'm pleased to see that. Seriously, that's a reasonable argument. But some of the systems that we are talking about,

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are so far-reaching that you have to ask yourself is there some conflict with the President's overall national interest here if we give complete control of that satellite I described to General Haig. Will he use it almost exclusively to focus on the FEBA and the immediate area? Or do we want to know whether the reserve forces being brought together in Western Soviet Union are being dispatched to the China front or the Western front? That's a real, I mean, General Haig is clearly interested in it, but it is also the President's decision very much. So there is a constant problem when you have these national assets with far-reaching legs of surveillance to decide whose interest is best served in it. And what we really are going to do, in my opinion, is we're going to feed in through the theater commander, not through the component commanders, they'll come in through the theater commander, to the National Intelligence Tasking Center the requirements that the theater commander sees and the National Intelligence Tasking Center will have to balance those with what are seen from here as national requirements that can best be met by that same asset. And I don't think you can write a law that will say exactly how that division will be made.

And I would only say to you that I agree thoroughly that this precise targeting has got to be done by the theater commander. Which means you've got to have some sense of restraint back here. You've got to say yes, you're entitled to some use of this asset for targeting but I'm not going to tell you which ones, you tell me which ones you want

Approved For Release 2006/01/03: CIA-RDP80B01554P002900110001-2 targeted, but I need some percentage of that satellite's time to do something else that you don't apparently think is important or isn't of concern to you. I have offered actually to give the theater commanders a set percentage of time on national satellites for their direct tasking. They come back to Washington and say, "This is it." I haven't been taken up on that yet for a lot of bureaucratic reasons. But I think there should be some general sense on the theater commander's part that his requests are going to be very much observed unless there is some overriding requirement here. But, again, it's hard to sort of legislate that in regulations or charters or executive orders. It has got to evolve over time and end up with some understanding and goodwill among people.

Q: Admiral, Commander Marty Finnerty, Navy. You've discussed in your recent questions allocation of resources, the development of contingency plans, and earlier in your presentation, a prioritizing of different tasks of the Intelligence Community. All of these things appear to me, when you look at them in the composite, to be policymaking. But you indicated in your opening remarks that you are not a policymaker. Could you develop that a little bit please?

I'm not quite sure I understand why you say these are policy making. By prioritizing what we collect, I mean the systems we have for collection of intelligence for instance, I may, in the long run, be limiting our policy makers' options because if we don't have the right information five years from now because we didn't build a satellite that would collect economic intelligence, we may be up the creek. But as to either

Approved For Release 2006/01/03: CIA-RDP80B01554R002900110001-2 today or five years from now whether we should sell oil drilling equipment to the Soviet Union to help their economy is a policy matter. Whether I collected enough information to really tell what the Soviet oil situation was or not can make a big difference on whether that policy is rightly formed. But I try not to get into the issue of from this intelligence information, what decisions are you going to make boss?

Q: Sir, Lieutenant Colonel Jerry Wetzel, Army. We're studying formulation of national policy here in the University and I think some of us are concerned that maybe you'd leave us before you speak to the subject of conduct of special activities that are approved by the President, specifically the implementation of national policy. We've read recently in the paper that the Secretary of State has said he does not involve himself in internal affairs of any other nation, specifically referring to Iran, and yet some of our readings would imply that the CIA does involve itself in the internal affairs of other nations. Would you talk about that please?

Sure. This is covert action. Covert action is not intelligence. Intelligence is the collection and analysis of information. Since 1947, whenever the country has wanted to do covert action, it has by law been assigned to the Central Intelligence Agency. I think I misstated that, I think it's by Presidential regulation. Covert action, political action is the attempt to influence events in a foreign country without the influencing agent being known--without it being known that the United States is doing the influencing. It

Approved For Release 2006/01/03: CIA-RDP80B01554R002900110001-2 is a tool in the spectrum of foreign policy somewhere between negotiation and pressure and leverage and war. And it is clearly down towards the other end of the spectrum towards the combatant end. But it's an effort to avoid going into the combatant end by trying to have things come out the way we want them to come out without having to use military force. It's surely the area that the Central Intelligence Agency has got in the most trouble for and taken the most brickbats for. And it's a very, very risky one.

Today there are a couple of major issues involving covert action.	
The first is the set of controls. I can assure you it's under pretty	STA
tight control.	STA

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I must then notify what is known as the appropriate committees of the Congress--there used to be eight, by atrophy but not regulation, it's coming down. We really notify seven today and one or two of those don't respond. That is, we tell them we've got a covert action to tell you about, they may never call us back and say well, come up and tell me about this. Now don't quote me on that because then they'll all ask me. But we have the two oversight committees--Senate Select Committee on Intelligence, the House Permanent Select Committee on Intelligence--and there is no question that they go in in great detail into every covert action. Once the President has signed it, I am empowered to carry it out and notify the Congress in what is known as a timely manner. They don't have a veto over it, there's no requirement that I must tell them in advance of doing it. It's a practical matter, you always do tell them in advance of doing it unless it were something that happened in the night and it was really awfully urgent. As a practical matter they have a veto. All they have to do is walk out on the sidewalk and announce what is happening and it's no longer covert. But, to be more realistic, their veto comes if they really do, in a responsible way, disagree with this. From going into a closed session of the appropriate chambers and voting on whether or not either to go to the President and make an appeal that this should not be done, or deliberately and consciously to blow it by making it public. They do have a way of stopping this activity, both irresponsibly and responsibly.

So I think we're under pretty tight control here as far as the Agency going off and doing things on its own, either contrary to our

Approved For Release 2006/01/03: CIA-RDP80B01554R902900110001-2 foreign policy or just on its own initiative. And let me assure you from what I've seen in twenty months, a great many of the accusations against the Agency in the past were not correct; some were. But in many STAT instances what's happened in retrospect--at a dinner party last night And somebody was beating me over the head about LCIA STAT I just stand up and say, "There was nothing the Agency did that wasn't in accordance with the directives of the National Security Council." Now in retrospect, the country didn't want to do what the National Security Council decreed at that time to do and they pulled the Agency out and so on, and that's the way the process should But the Agency did nothing wrong; it took orders and it carried them out in its proper manner in accordance with the procedures I've

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But, nonetheless, it is a touchy area and it has a great problem today in whether this country can keep a secret over and above whether the Congress or anyone else wants deliberately to sabotage a covert action. The question is, can I go through this process I have just described to you with a certain amount of paperwork involved, to take this proposal to the National Security Council, get it debated and get a Presidential signature. And then take it up and orally brief it to two, three, four, five committees of the Congress and their staffs. Can we do that and keep it secret? And it is very difficult for me. If the covert action was really risky either to the national interest or to some individual, to have full confidence that that, in fact, would be kept secret.

described because they were in existence

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There is a question in everybody's mind whether we really could stay in the covert action business under the present climate. I don't think there is any question we should, though I think the applicability of covert action today is much less than before. If you want to support politicians in a democratic country who are on the democratic side of life and are being opposed by politicians from the Communist side who are being financed by Moscow, you can help finance them. But the risks of disclosure today are such that I'm not sure many democratic politicians would want the CIA's money under the table, if you see what I mean. They may risk more than they'll get. Whereas ten, twenty years ago, we've done that kind of thing; I think to good advantage for the country.

Q: Lt.Col. Brown, Army. To try to solve this problem, could we not agree on certain classes of action the CIA could take in a covert operation and then leave the detail to a particular action to a very few people?

I can't answer that because I don't know what the Congress would, you know, how generalized they would tolerate our notification to them as to what we were going to do. We try to write the findings today in a fairly general way/entirely for that reason, but because otherwise you have to go back and get a new finding every time the situation changes just a little bit. The process is a little more complex than I tried to describe because even at that, when you write a fairly generalized finding, you want to be sure that you're not working at cross purposes with the Secretary of State. So we have a procedure that when we

Approved For Release 2006/01/03: CIA-RDP80B01554R002900110001-2 amplify on that finding, we take our proposed amplification to the State Department and get them to vet it. So it gets to be more paperwork and more exposure.

Q: Jim Lanberg, Department of State. I wonder if we could go back to the previous thread about collection, the National/Tactical Interface command of control. Doesn't this get us into the realm of analysis? It seems to me that a lot of the decisions will depend very much upon our ability to analyze based on our various collection methods and the situation. If analysis in Washington tends to indicate that something might be developing say in Europe amongst the Soviets, that might be a basis for giving a lot more attention to a theater commander's request for more tactical information. And we might begin to be thinking of putting the emphasis on tactical intelligence, even thinking of shifting the command of control. And also recently there has certainly been a lot of questions about the analytical capabilities. If you pick up all the signals that indicate that something might be happening, then you can make that decision. If you fail to pick it up or analyze it or decisionmakers fail to accept it, then you might not make the necessary tactical intelligence decisions. Could you tell us a little bit about how you view the quality of analysis of the Intelligence Community and how adequately it is being done. I was hoping you could especially concentrate on our ability to analyze Soviet intentions. We know quite a bit about Soviet capabilities and their massive military build-up in recent years, both in the strategic and the conventional field. But intention is much more difficult. I was wondering if you could address the general and specific topic? Thank you.

Approved For Release 2006/01/03: CIA-RDP80B01554R902900110001-2 As your question indicates, our quality of intelligence analysis is probably best in the technical and military areas. We really have some superb snoopers I'll tell you that, when they can deduce from just little clues of things what the technical capabilities of various weapon systems are. I'm constantly impressed and amazed by this, not just the collecting of the data but the taking of the scraps of it and pulling it together. Clearly, as you move down the spectrum of economic or political intelligence and on into what you really asked about, intentions, you've got to become much more shakey. And sometimes you've got strength--lots of bright people--and sometimes you're weak. One of our problems is to anticipate where we need to be strong in five years. So we developed the language, the area expertise in the political and economic spheres to be able to cope with them. And we do have a severe problem of resources today because, I think, military intelligence is proportionately less important to the country than economic and political intelligence as compared with ten or twenty years ago. The threats to our country are shifting to the economic and the political sphere. But we can't drop the military intelligence aspect of it. We all know that; that we've got to keep abreast of what is going on and what is a tremendous threat even though these other areas are rising in importance. And the military intelligence area is becoming so much more technical that it just requires more and more manpower, more and more analytic computer resources to handle it. So, we are in a difficult time with contracting resources in general, Mow do we find the assets to shift into economic and political intelligence when you've got this large, important interest in the military nonetheless. And we're really struggling with that

Approved For Release 2006/01/03: CIA-RDP80B01554R902900110001-2 today. Then we're struggling with if you are going to increase these other areas, how do you get the people to have the flavor of these other countries so they can understand the intentions.

I have a real problem with the Central Intelligence Agency, a very large analytic organization. But they are professionals and they come in there and they spend their career there; some of them have never been to the countries they are analyzing. And sometimes you've got the same people studying the same problem for five, ten, fifteen years, and you need some outside vitalization of it. And I've just worked an

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We are doing other things to try to improve in that area. We wrote a, I think, superb National Intelligence Estimate this year on the Soviet intentions in the military sphere, something that replaced the catastrophy of the Team A--Team B fiasco of the year before. But instead of having something that we veted around paragraph by paragraph, word by word, we wrote a sort of decursive piece and said, "This is sort of the direction we think they're going and I want anybody to kibitz it by paragraph by paragraph. I want you to come in and tell us if the thrust of chapter 1

Approved For Release 2006/01/03: CIA-RDP80B01554R002900110001-2 is right and if it's really wrong, you write a paragraph or two and we'll put it on the end of chapter 1." And we really got a good document which ended up being read by every member of the National Security Council, and debated in the National Security Council meetings with secretaries sitting there with their own underlining and looking at it. Because it was readable, it wasn't a thing that had been veted so much that there was nothing left of it of substance. So we're trying, but I can't answer your question concretely.

Admiral Turner, Colonel _____, US Air Force. I'd like to return to an earlier point in an earlier discussion we were having. I can appreciate your efforts of trying to get your arms around the Intelligence Community, but you downgraded the importance of budgetary control somewhat and it has been my experience that in this town the guy who controls the budget controls the program. You know, debate and disagreement go to the very straght of the fabric of our society and this is true in the Intelligence Community where we've had debate and disagreement between the military intelligence agencies and the Central Intelligence Agency. And this has usually resulted in a synthesis in a more balanced product, end product. And perhaps the recent exhortations of General Keegan on the beam weapon issue is an excellent example of that. Now what you're talking about is greater centralization through administrative and budgetary control. Now that can e this disagreement and debate, so obviously there is some balance that has to be struck here. Do you think that you've been able to strike that balance. Inder Admiral Stansfield Turner and Jimmy Carter it may work, but under future administrations we may have created a real problem.

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Well let me give you the philosophy behind this centralization

of authority because it is quite distinct in how we approach the collection side of intelligence and the analysis side of intelligence. In

collecting intelligence, you are working with photo systems, satellites.

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intelligence systems, other than the overt ones, it's risky. When you get caught spying in the Soviet Union, it's a problem. But it is not half the problem when you get caught spying in a friendly country. Read the newspapers; the last few days, and I'm afraid the next few, about our failure to predict the intensity of the opposition to the Shah. But one of the problems there is how much spying do I want to do on a friendly, allied country like Iran. Because if you get caught there, you know, it's the President looking the Shah in the eye as opposed to get caught spying on Brezhnev—we don't like to get caught there but you're not going to be upset are you. Everybody expects that.

Approved For Release 2006/01/03: CIA-RDP80B01554R002900110001-2 So, I believe we must centralize and have this budgetary control, this tasking control over the collection elements. We can't afford to have everybody developing his own satellite, airplanes competing with satellites when they don't have a uniquely different contribution to make and so on, if we are going to have the total assets we need for the country. I think that is very important.

Now to your specific question on the other side, which is the analysis side, the interpretation side, we want competition and we have structured it in that way. I do not have substantial authority over the Bureau of Intelligence & Research of State Department or the DIA's analytic activities; and I don't want that. The only authority I have there in the Executive Order, it's spelled out very concretely, is to require them to participate in making national intelligence estimates. But not either to tell them what they are going to analyze or whether they're conclusions are right or wrong, or what the bulk of their work is done on, because that is done in support of the Secretary of State and the Secretary of Defense and the Chairman of the Joint Chiefs of Staff. So, we are trying not to have that monolithic attitude where, what I think you were driving at is very appropriate. We've got to have conflicting views come forward on the analytic interpretative side.

I have, personally, tried to emphasize that by moving the footnotes—you referred to General Keegan, and he was the greatest footnote man in the country in his day, and I got so tired of seeing General Keegan's footnotes that I never read them. So when I got into this job I said to myself, if what the Keegans or anyone is putting in those footnotes is

Approved For Release 2006/01/03: CIA-RDP80B01554R902900110001-2 really important, I want it up there in the text, I want it in the text of the estimate. And the text now reads, I hope, in general—it is our view that (or really it's the DCI's view because the estimates are mine) the DCI's view that the war is going to start on Monday because there is the following evidence which makes it appear that that's the most likely hypothesis. The Chief of Staff of the Army and the Director of the Central Intelligence Agency believe the war is going to start on Friday because they discount the first point that the DCI has made for the following reasons, and they adduced some additional evidence of the following nature that says Friday is more likely.

Now it seems to me the decision maker reading that can then draw his own conclusion because he's been given the balance of the facts. Usually when it appears in a footnote you can't compare the two. You know, one guy wrote one and he had certain assumptions and hypotheses, and the other fellow wrote his from a different basis; each trying to drive their point. I forced those people to sit down in the same room and write one set of paragraphs here that brings out both points of view. Because intelligence officers have got to understand that our pronouncements are never respected if we just say we know the war is going to start on Monday, nobody believes that. What they want to believe is that you have thought it out and you have given them some basis for understanding why you think it's going to start Monday. Because the decision maker, particularly at the high national level, probably has got some intelligence or some intuition that you don't have. If you just tell him it's going to start on Monday but don't give

Approved For Release 2006/01/03: CIA-RDP80B01554R002900110001-2 him your rationale for it, he can't integrate in his reasoning and he may be much better informed than you. And finally, the last and the worse thing you can do, and that I have really tried to get away from in this area, is to compromise. Because if part of the people believe the war is going to start on Monday and part believe it's going to start on Friday, the only way you can be completely wrong is to pick Wednesday. You have zero probability of that being correct.

Your questions have been great. I've enjoyed the dialogue with you. I think that the intelligence function has got to be more important to our country today than any time since World War II because our margin of superiority in military, economic, and political spheres all is less than before. And, therefore, the leverage of good information, properly interpreted, properly collected, is very critical. I'm trying to build a central organization that will have enough authority to bring it altogether, but not so much as to run roughshod over the contrary views, to run roughshod over the fellow who wants to develop a new satellite or a new gadget that we don't perceive as important today, but my successor ten years from now will be very unhappy with if I don't fund. It's a very difficult set of balancing. I've tried today to be frank with you in showing that there are real dilemmas that we all face in this process. It's an exciting time, it's an exciting time in this development of the overall process of coordinating intelligence and I can only say we need your support, your interest in it, as we go along and you are going to need to lean on us in the Intelligence Community as you go on to more and more important postions in our government. Thank you and good luck.